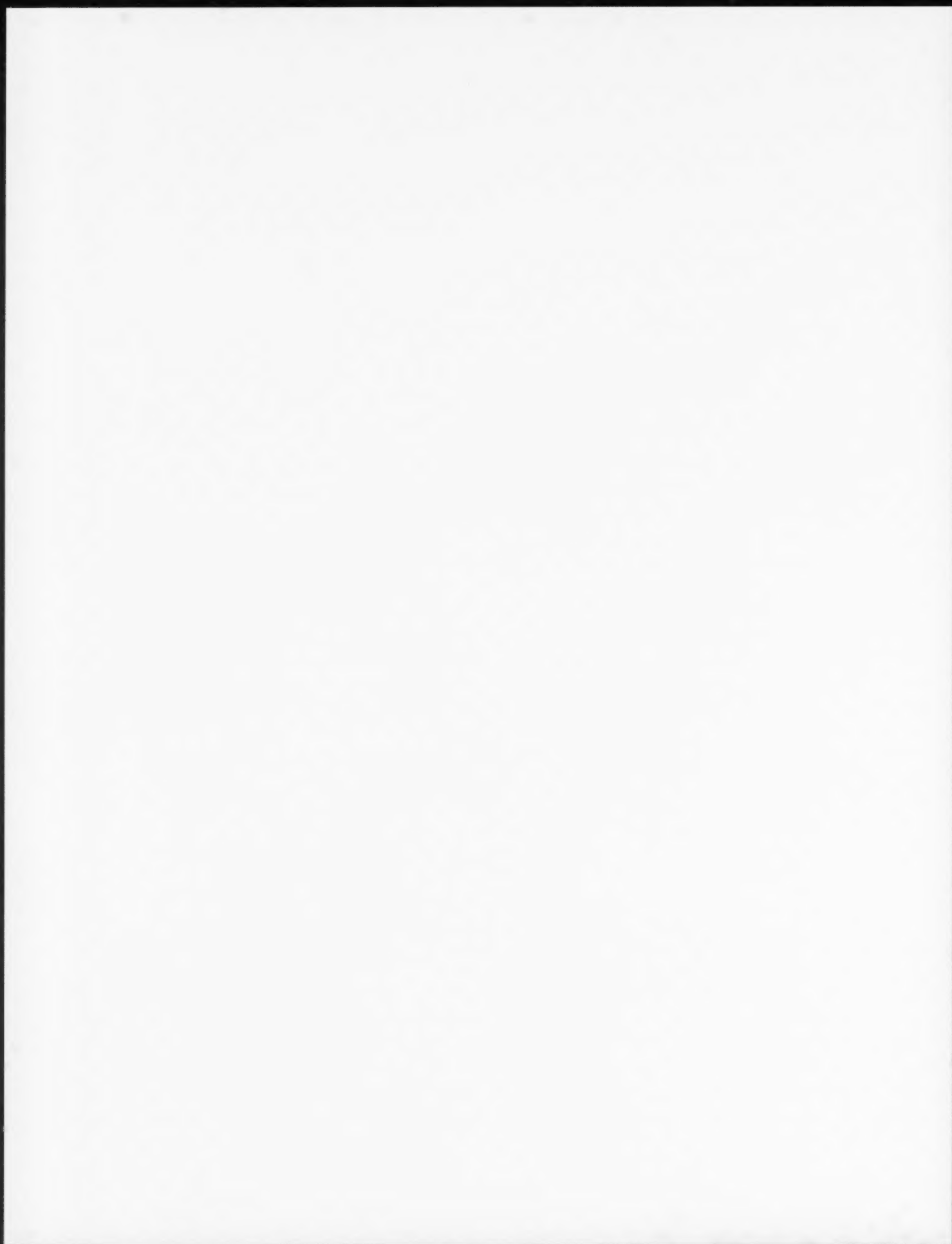




NEW BEGINNINGS

Annual Report 2012-2013



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Message from the CEO and Board of Directors Chair

We are pleased to present Health Shared Services Saskatchewan's (3sHealth's) 2012-13 annual report and reflect on what has been a very exciting and successful year.

April 17, 2012 marked the official beginning for 3sHealth, with members approving changes to the Bylaws of the Saskatchewan Association of Health Organizations. The revisions established 3sHealth as a provincial shared services organization and approved the transfer of labour relations and collective bargaining responsibilities to a separate organization to be named SAHO Inc.

In the planning prior to April 2012, the mandate for 3sHealth, established by the Council of CEOs, was to provide efficient, customer-focused, quality, and province-wide common services to the Saskatchewan health sector. The Council of CEOs also established the following goals for the new shared services organization:

- Create enhanced value to the system through
 - Improved process efficiency;
 - Greater standardization and consistency;
 - Improved alignment and integration; and
 - Sharing capability across the system.
- Improve service quality through
 - Superior customer service;
 - Customer-driven processes; and
 - Improved performance.
- Lower the cost curve through
 - Reduced costs, cost avoidance, and cost mitigation;
 - Economies of scale;
 - Less duplication; and
 - Improved use of resources.

The 3sHealth Board was appointed and convened in May 2012. The Board has established the following three committees: Policy and Governance; Audit, Finance and Risk; and Stakeholder Relations and Business Development. A representative of the Board also sits on the Employee Benefits Committee.

At 3sHealth, we believe that partnership is essential to building a health-care system that puts the needs of patients and families first. By working together, we improve quality and achieve cost savings. In its first year of existence, 3sHealth and its partners across the health system—including the Regional Health Authorities, Saskatchewan Cancer Agency, Ministry of Health, and other affiliated partners—enjoyed several key successes.

- 3sHealth's three-year plan for business case development was approved, and work on a number of business cases began.
- 3sHealth exceeded the \$7 million cost savings target for the 2012-13 fiscal year, instead achieving \$8.5 million in savings.
- 3sHealth became part of the health system's Lean transformation, providing extensive training and implementing key Lean principles to achieve its organizational goals.
- 3sHealth worked with GHX (Global Healthcare Exchange) to implement an e-commerce solution that will help to automate supply chain processes across the province.
- 3sHealth adopted a coordinated approach for liability insurance acquisition and claims management in the Saskatchewan health system, resulting in a \$600,000 savings in 2012-13.
- Gateway Online, an electronic system that automates and implements standard human

resource processes across the province, was launched and implemented to include self-serve functions for health-care workers.

- Health system leaders from the Regional Health Authorities and Saskatchewan Cancer Agency met to create a common vision for supply chain services. Additional work on group purchasing contracts for clinical supplies culminated in \$7.7 million in savings in 2012-13.
- Working in consultation with health regions, laundry managers, unions and other strategic partners, 3sHealth explored options for the province's aging and outdated laundry system, announcing a solution in May 2013.

All of these achievements were possible because of significant collaboration with 3sHealth's strategic partners within the Saskatchewan health sector. We are sincerely grateful for all of the valuable contributions from the staff at 3sHealth, the 3sHealth Board, the health regions and Cancer Agency, the Ministry of Health, and other strategic partners. Our success is a collective one.

Looking forward to 2013-14, we anticipate that 3sHealth will continue to succeed in supporting and realizing the goals for the health sector. Since the approval of 3sHealth's strategic business plan in March 2013, 3sHealth has actively engaged its partners as it looks to define future opportunities to improve health-care quality for patients and families, as well as occasions to create efficiencies and create new savings within the system.



Jim Rhode
Chair, 3sHealth Board

Andrew Will
CEO, 3sHealth

3sHealth Board of Directors

About 3sHealth and Shared Services

3sHealth, Saskatchewan's health care shared services organization, was established in 2012 to provide province-wide services that better support a high-performing, sustainable, patient-centred health-care system. Through shared services, economies of skill and scale can be leveraged to achieve standard work, establish best practices, and benefit from greater competition across the province.

The shared services model also enables decision-making at critical points throughout the process, as well as active participation and engagement from stakeholders and dedicated change management resources. Shared services can be delivered by enhanced status quo models, lead agencies, a provincially centralized model, third parties, or a combination of those approaches.

3sHealth currently provides payroll, benefits administration, and joint purchasing services to the health-care system. Its mandate is to identify and provide new shared service opportunities that will improve service quality and reduce costs to the health-care system.



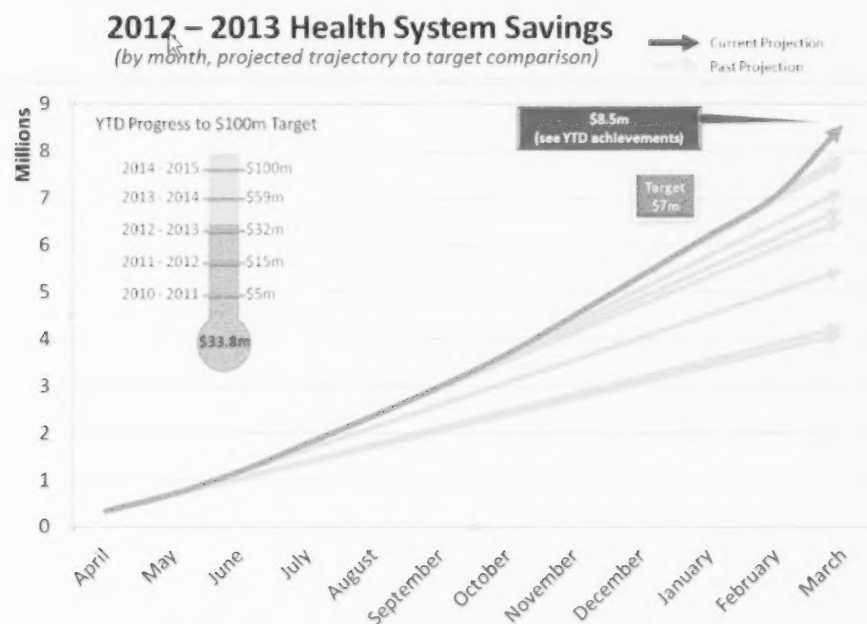


Left to right: Steve Sousa, Karen Knelsen, Brian Barber, Jim Rhode, Twyla Meredith, Kyle Jeworski, Rennie Harper, Arnie Shaw and Grant Kook

2012-13 Progress and Achievements

Total 2012-13 and Cumulative Savings

The savings for the 2012-13 fiscal year reached \$8.5 million, surpassing the \$7 million target and bringing the cumulative savings since 2010 to over \$33 million. Of the \$8.5 million in savings for 2012-13, \$7.7 million was realized through group purchasing. This accomplishment contributes significantly to the five-year savings target of \$100 million by 2015.



3sHealth Three-Year Plan for Business Case Development

3sHealth has taken a thoughtful, planned approach to identifying, evaluating and implementing shared services opportunities. The comprehensive three-year plan involves a stage-gated decision-making process, significant engagement of health sector stakeholders and approvals from our partners in the health system, as well as the 3sHealth Board.

In June 2012, the health regions and Saskatchewan Cancer Agency CEOs met with 3sHealth to review the process for developing business cases and the decision-making process. A number of shared services opportunities were identified, and in September the CEOs shared their thoughts on priorities for business case development based on the greatest positive impact for patients and other factors.

The CEOs were presented with a draft three-year plan in October, and a presentation to the 3sHealth Board Stakeholder Relations and Business Development Committee followed. In early November, as part of the Lean Management Systems Hoshin Kanri planning process, the approval was provided by provincial health-care leaders to proceed with a business case for IT/IM in partnership with eHealth.

Later in November, the CEOs provided revisions to the three-year plan and committed their support, and on November 15, the 3sHealth Board approved development of the business cases in a stage-gated approach over the three years. 3sHealth met with senior leadership of the health regions and Cancer Agency in February 2013 to collectively identify opportunities for quality improvement and cost savings within the three-year plan to meet budget targets.

In March 2013, the Governing Council (Board chairs of the RHAs and SCA) met to approve the three year-plan.

As business case development proceeds, all levels of the health regions and the Saskatchewan Cancer Agency—from leadership to front-line workers—are engaged in identifying the desired future state of service lines and opportunities for improved quality and cost savings. The engagement framework includes discussion points with other stakeholders, including patients and families, physicians, union leadership, and vendors or suppliers.

Throughout the process, 3sHealth provides its Board and Governing Council with continual updates on progress, and 3sHealth requires approvals before business cases proceed to implementation.

The business cases to be developed over the three-year plan are as follows:



Lean at 3sHealth

Lean is a patient-first approach that puts the needs and values of patients and families at the forefront and uses proven methods to continuously improve the health system. It is a unique approach that engages and empowers employees to generate and implement innovative solutions, and to fundamentally improve the patient experience on an ongoing basis. 3sHealth is committed to ensuring that Lean strategy deployment occurs within the organization, and that the implementation of Lean at 3sHealth is aligned with the rest of the provincial health system, including the Ministry of Health, the Regional Health Authorities, and the Saskatchewan Cancer Agency.

In 2012-13, Lean was implemented throughout the organization in a number of ways. 3sHealth uses a "visibility room" and regular "wall walks" by all staff within the organization to maintain focus on organizational priorities and track improvements for shared services. Additionally, departmental improvements and daily work are exhibited in each department. A significant portion of the discussions at wall walks revolves around evaluating progress, measuring results and collaborating to meet challenges and opportunities.



Visibility Wall used for 2012-2013 targets and progress.

By using Lean tools such as Rapid Process Improvement Workshops (RPIWs), 5S (Sort, Simplify, Sweep, Standardize, Self-discipline), and 3P (Production Preparation Process), 3sHealth has improved processes internally and in partnership with the health authorities. All 3sHealth staff members receive Kaizen Basics (continuous improvement) training, and key staff members have been or are in the process of being certified as Lean Leaders.

Gateway Online

The 2012-13 fiscal year saw work continue on Gateway Online, an electronic system that automates and implements standard human resource processes across the province and results in health-care workers having more time and focus for patients. The services introduced and implemented this fiscal year include paperless pay statements, personal information storage, and talent profiles. To be completed by November 2013 is the addition of electronic applications for health-care positions across the province. Use of the Gateway Online system is now widespread across the health system.





3P (Production Preparation Process) event held in October 2012 to examine dock-to-dock distribution of linen from processing plant to end user site.

Provincial Linen Service

In March, 2012, 3sHealth announced that it would explore potential solutions for the province's aging and outdated laundry system. Working in consultation with health regions, laundry managers, unions and others, the 3sHealth Linen Team began its effort to find the best solution to this challenge.

3sHealth examined a number of possibilities, including rebuilding the existing laundries, rebuilding fewer laundries and shipping linen to these sites, outsourcing the service to a third party, and a combination of these options. In order to assess these alternative solutions, 3sHealth undertook to:

- Develop the business case, examining the viability of maintaining publicly funded linen services;
- Learn about best practices in linen services by touring Ottawa's HLS Linen Services, one of the top linen service providers in North America, in May 2012;
- Release a Request for Strategic Partner (RFSP) on behalf of Saskatchewan health regions and the Saskatchewan Cancer Agency on June 27, 2012;
- Implement continuous improvement strategies by working to ensure that Lean management principles is fully integrated in the new provincial linen service; and
- Evaluate all of the options, taking care to assess the data from the RFSP process and the business case, and make a recommendation to decision-makers including leadership from 3sHealth, the Regional Health Authorities, and government.

The announcement of the decision for a provincial linen service was made on May 29, 2013. The approved solution for linen services will provide the following benefits:

- Improved patient experience by using high-quality products, standardized products throughout the province;
- The creation of infection prevention and control standards that will be implemented and measured provincially;
- Contingency planning that ensures a continuum of service; and
- \$93 million in savings to the province over 10 years.

Creating a Vision for Supply Chain Management

Health system leaders from the Regional Health Authorities and Saskatchewan Cancer Agency met to create a common vision for supply chain services. The goal was to develop a vision that would support a Lean, "Just in Time" supply chain system that ensures the right products are available at the right place in the right amount at the right time. Just in Time delivery reduces the costs associated with storing and monitoring excess inventory, freeing up valuable space that can be redirected to patient care and resulting in health professionals having more time to focus on patients.



The Provincial Materials Management Group at their strategic planning session in June, 2012.

Participants worked to recognize commonalities and differences across the regions, thereby exploring options that led them closer to an ideal state. By agreeing on what an ideal state for supply chain management would look like, all participants were able to visualize a plan for the future state of their departments in their own health regions.

A consulting agency will be brought on board to work with the health authorities, Cancer Agency and 3sHealth to identify gaps between the current state and the future state of the provincial supply chain system. A business case will be developed in the 2013-14 fiscal year, and recommendations for achieving an ideal state will be based on key findings, options, and a thorough examination of leading practices in supply chain management.

Insurance

In 2012-13, 3sHealth adopted a coordinated approach for liability insurance acquisition and claims management in the Saskatchewan health system. An actuarial analysis revealed that Regional Health Authorities and the Saskatchewan Cancer Agency could capture savings by reducing their deductible levels based on their current risk tolerance for claims over the next year. In the short term, this shared approach achieved a \$600,000 savings for that year. In the future, there are potentially more savings available as 3sHealth consolidates liability insurance and claims management on a province-wide basis. 3sHealth will be working with its stakeholders to develop a plan that can realize significant savings in the long term.

The GHX E-commerce Solution

In 2012-13, 3sHealth worked with GHX (Global Healthcare Exchange) to implement an e-commerce solution that will assist in automating supply chain processes across the province. This system allows health-care providers and suppliers to conduct business more efficiently through electronic ordering and invoicing of supplies. The system gives providers the information they need on provincial contracts, suppliers, products and pricing. One of the greatest benefits of this technology will be the ability to easily gather purchasing data from across the province. As 3sHealth works to find savings for health regions and the Saskatchewan Cancer Agency through group purchasing, this system will provide the information needed to identify new opportunities and provide significant cost savings, reduction in errors, reduced processing time, and improved use of provincial contracts.

September 14, 2013

Management's Responsibility for Financial Statements

The Health Shared Services Saskatchewan (3sHealth) financial statements and all the information in the Annual Report are the responsibility of management and have been approved by the Board of Directors.

Management has prepared the financial statements in accordance with Canadian public sector accounting standards. Management is responsible for the reliability and integrity of the financial statements and other information contained in the Annual Report. The financial information presented elsewhere in this Annual Report is consistent with that in the financial statements.

Management maintains a comprehensive system of internal controls to ensure that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. The adequacy and operation of the control systems are monitored on an ongoing basis by the internal audit department.

Provincial Auditor Saskatchewan, the external auditor appointed by the Board of Directors, has audited the financial statements. The Auditor's Report outlines the scope of her examination and her opinion. The external auditor has unrestricted access to management and the Board of Directors to discuss results of the audit work and her opinion on the adequacy of internal financial controls and the quality of financial reporting.



Kendell Arndt
Vice-President, Strategic Information
& Corporate Services



Catherine Vu-Sterzuk
Director,
Finance

Financial Statements of
Health Shared Services Saskatchewan
For the Year Ended March 31, 2013

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Health Shared Services Saskatchewan (3sHealth), which comprise the statement of financial position as at March 31, 2013, March 31, 2012, and April 1, 2011 and the statements of operations, changes in net assets, and cash flows for the years ended March 31, 2013 and March 31, 2012 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

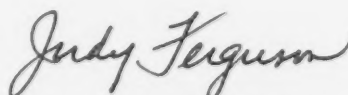
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of 3sHealth as at March 31, 2013, March 31, 2012, and April 1, 2011 and the results of its operations, changes in net assets, and cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan
September 23, 2013



Judy Ferguson, FCA
Acting Provincial Auditor

Health Shared Services Saskatchewan

Statement of Financial Position

As at March 31

	March 31, 2013	March 31, 2012 (Note 19)	April 1, 2011 (Note 19)
ASSETS			
CURRENT ASSETS			
Cash	\$ 3,081,900	\$ 955,800	\$ 433,900
Short term investments (Note 4)	9,941,900	20,430,700	22,405,800
Accounts receivable	4,857,000	5,733,800	1,599,500
Prepaid expenses	310,600	325,200	280,000
	18,191,400	27,445,500	24,719,200
CAPITAL ASSETS (Note 5)	350,800	282,800	294,600
	18,542,200	27,728,300	25,013,800
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	7,956,500	2,738,200	1,965,400
Unearned revenue (Note 6)	385,800	932,400	1,013,500
Deferred contributions (Note 7)	7,015,200	20,924,800	18,969,800
	15,357,500	24,595,400	21,948,700
NET ASSETS			
Invested in capital assets	350,800	282,800	294,600
Internally restricted (Note 8)	1,263,900	1,553,400	1,387,700
Unrestricted	1,570,000	1,296,700	1,382,800
	3,184,700	3,132,900	3,065,100
	\$ 18,542,200	\$ 27,728,300	\$ 25,013,800

Contingencies (Note 16)

See accompanying notes

Approved by the Board of Directors:




Health Shared Services Saskatchewan

Statement of Operations

For the year ended March 31

	Budget 2013 (Note 18)	2013	2012 (Note 19, 20)
REVENUE			
Membership Fees	\$ 1,654,400	\$ 1,657,900	\$ 1,630,000
Ministry of Health Service Agreement Fees	7,194,000	5,497,100	3,017,900
Cost Recoveries - Employee Benefit Plans (Note 9)	7,264,600	5,515,500	5,137,100
- Provincial EFAP (Note 11)	1,030,500	971,700	536,400
- Staff Scheduling (Note 11)	626,000	437,100	605,000
- Nursing Program	-	-	4,195,000
- Other recoveries	288,000	623,500	3,924,200
Other Revenue - Service revenue	3,598,500	3,646,600	3,740,100
- GHX (Note 11)	738,800	1,515,900	4,031,700
- Conference	210,800	245,300	188,300
- Investment income (Note 4)	72,000	137,400	88,800
- Purchasing Rebates	-	2,045,400	1,237,500
- Workshops	-	-	75,100
- Other	146,000	86,100	424,100
TOTAL REVENUE	22,823,600	22,379,500	28,831,200
EXPENSES			
Administration	1,765,900	2,117,300	1,137,200
Business Development	671,100	616,100	687,800
Change Management and Performance	711,200	986,500	-
Employee Benefit Plans (Note 9)	7,264,600	5,515,500	5,137,100
Human Resources	122,700	110,500	-
Information Services	3,856,300	3,758,700	3,670,500
Integrated Communications & Marketing	627,200	601,100	496,000
Labour Relations	-	-	3,286,800
Loss on disposal of capital assets	-	2,700	-
Materials Management	750,000	711,900	323,100
Strategic Information Systems	236,700	268,400	-
Specific program expenses:			
Shared Services	-	-	1,741,500
Business Cases	4,075,100	3,226,600	3,137,700
Provincial EFAP (Note 11)	1,030,500	971,700	536,100
GHX (Note 11)	938,900	740,100	2,502,200
Staff Scheduling (Note 11)	562,600	437,100	478,700
Conference	210,800	218,100	196,100
Nursing Program	-	-	4,195,000
Purchasing Rebates	-	2,045,400	1,237,500
Other	-	-	100
TOTAL EXPENSES (Schedule 1)	22,823,600	22,327,700	28,763,400
EXCESS OF REVENUE OVER EXPENSES		\$ 51,800	\$ 67,800

See accompanying notes

Health Shared Services Saskatchewan

Statement of Changes in Net Assets

For the year ended March 31

	2013				2012
	Invested in capital assets	Internally restricted	Unrestricted	Total	Total (Note 19)
Net assets, beginning of year (Note 19)	\$ 282,800	\$ 1,553,400	\$ 1,296,700	\$ 3,132,900	\$ 3,065,100
Excess/(deficiency) of revenue over expenses	(142,100)	(31,100)	225,000	51,800	67,800
Transfer between funds for:					
Internal restrictions (Note 8)	-	(32,600)	32,600	-	-
Purchase of capital assets	225,800	(225,800)	-	-	-
Disposal of capital assets	(15,700)	-	15,700	-	-
Net assets, end of year	\$ 350,800	\$ 1,263,900	\$ 1,570,000	\$ 3,184,700	\$ 3,132,900

See accompanying notes

Health Shared Services Saskatchewan

Statement of Cash Flows

For the year ended March 31

	<u>2013</u>	<u>2012</u> (Note 20)
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 51,800	\$ 67,800
Items not involving cash:		
Amortization	142,100	105,300
Loss on disposal of equipment	2,700	-
Change in non-cash operating working capital items:		
Accounts receivable	876,800	(4,134,300)
Prepaid expenses	14,600	(45,200)
Accounts payable and accrued liabilities	5,218,300	772,800
Unearned revenue	(546,600)	(81,100)
Deferred contributions	(13,909,600)	1,955,000
Cash used in operating activities	(8,149,900)	(1,359,700)
CAPITAL ACTIVITIES		
Proceeds on disposal of capital assets	13,000	-
Purchase of capital assets	(225,800)	(93,500)
Cash used in capital activities	(212,800)	(93,500)
INVESTING ACTIVITIES		
Purchase of investments	(23,382,900)	(37,577,100)
Disposal of investments	33,871,700	39,552,200
Cash provided by investing activities	10,488,800	1,975,100
Increase in cash for the year	2,126,100	521,900
Cash, beginning of year	955,800	433,900
Cash, end of year	\$ 3,081,900	\$ 955,800

See accompanying notes

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

1. NATURE OF OPERATIONS

The Saskatchewan Association of Health Organizations (SAHO) was created pursuant to An Act to Incorporate Saskatchewan Health-Care Association enacted by the Legislative Assembly of Saskatchewan on January 28, 1976. On April 17, 2012, SAHO's membership approved changing the operating name to Health Shared Services Saskatchewan (3sHealth).

The purpose of 3sHealth is to provide province-wide shared services to support a high performing, sustainable, patient and family centred health system in Saskatchewan (Note 14). 3sHealth also provides administrative services to the employee benefit plans (Note 9).

3sHealth is governed by a nine member board of directors who are appointed by the health system's Governing Council.

3sHealth is a not for profit organization and is not subject to income taxes under the *Income Tax Act of Canada* and is a registered charity.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting (PSA) standards, issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (CICA). 3sHealth has adopted the standards for government not-for-profit organizations, set forth at PSA Handbook section PS 4200 to PS 4270. As these are 3sHealth's first financial statements prepared in accordance with PSA standards, Section PS 2125, First-time Adoption by Government Organizations, has been applied. 3sHealth has also chosen to early adopt Section PS 3450, Financial Instruments, as further explained in Note 19.

3sHealth's financial statements were previously prepared in accordance with Canadian generally accepted accounting principles (Canadian GAAP), as set forth in Part V of the CICA Handbook. The impact of the transition from Canadian GAAP to public sector accounting standards is described in Note 19.

a) Revenue recognition

3sHealth follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Membership fees are recognized as revenue in the year to which the fees relate. Any membership fees received in advance are deferred to the following fiscal year.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Capital assets

Capital assets are recorded at cost. Normal maintenance and repairs are expensed as incurred. Capital assets with a life exceeding one year are amortized on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements	Term of lease
Furniture and equipment	4 – 10 years
Computer equipment	2 years

c) Retirement benefits

Eligible 3sHealth employees participate in the Saskatchewan Healthcare Employees' Pension Plan (SHEPP), a multi-employer defined benefit pension plan. 3sHealth's financial obligation as it relates to SHEPP is limited to making the required monthly contributions equivalent to 112% of the amount contributed by 3sHealth employees for current service.

d) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires that estimates and assumptions are made which affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimations.

e) Financial instruments

3sHealth has classified its financial instruments into one of the following categories: fair value or cost or amortized cost.

All financial instruments are measured at fair value upon initial recognition. The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm's length transaction between knowledgeable and willing parties under no compulsion to act.

The following financial instruments are subsequently measured at cost or amortized cost:

- accounts receivable;
- short term investments; and
- accounts payable and accrued liabilities.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) *Financial instruments (continued)*

As at March 31, 2013, 3sHealth does not have any material outstanding contracts or financial instruments with embedded derivatives. Financial assets are categorized as level 1 in the fair value hierarchy.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

f) *Interest revenue*

Interest earned on investments held for certain deferred contributions are added to deferred contributions when required by external restrictions. All other earned interest is recorded as income.

g) *Allocation of expenses*

The majority of the costs incurred by 3sHealth's departments are charged directly to the applicable area. Some costs, such as lease and certain personnel costs are allocated to departments using a systematic and rational basis. Those bases are applied consistently each year and are as follows:

- lease costs are proportionately based on the area occupied by a department; and
- personnel costs are based on the percentage of time a particular position spends supporting various department(s) within 3sHealth.

Schedule 1 discloses the breakdown of 3sHealth's expenditures by type of expenditure while Note 15 provides details of the allocated expenses.

h) *Foreign currencies*

Foreign currency transactions are translated into Canadian dollars using the transaction date exchange rate. Monetary assets and liabilities denominated in foreign currencies are adjusted to reflect exchange rates at the balance sheet date. Exchange gains or losses arising on the translation of monetary assets and liabilities or sale of investments are included in the statement of operations in the year incurred.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

3. FINANCIAL INSTRUMENTS

a) *Significant terms and conditions*

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing, and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in these financial statements.

b) *Financial risk management*

3sHealth has exposure to the following risk from its use of financial instruments: credit risk, market risk and liquidity risk.

c) *Credit risk*

3sHealth is exposed to credit risk from the potential non-payment of accounts receivable. The majority of 3sHealth's receivables are from regional health authorities, Saskatchewan Health – General Revenue Fund, or other Saskatchewan Crown agencies. 3sHealth is also exposed to credit risk from cash and short-term investments.

The carrying amount of financial assets represents the maximum credit exposure as follows:

	<u>2013</u>	<u>2012</u>
Cash	\$ 3,081,900	\$ 955,800
Short-term investments	9,941,900	20,430,700
Accounts receivable	4,857,000	5,733,800
	<u>\$ 17,880,800</u>	<u>\$ 27,120,300</u>

3sHealth manages its credit risk surrounding cash and short-term investments by dealing solely with reputable banks and financial institutions, and utilizing an investment policy to guide their investment decisions. 3sHealth invests surplus funds to earn investment income with the objective of maintaining safety of principal and providing adequate liquidity to meet cash flow requirements.

d) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect 3sHealth's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing return on investment.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

3. FINANCIAL INSTRUMENTS (continued)

d) *Market risk (continued)*

i. *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates.

3sHealth is exposed to interest rate risk as short term investments will vary or fluctuate with changes in the interest rates payable on money market securities.

It is estimated that a 100 basis point change in interest rates would change the short term investments by approximately \$99,419 (2012 - \$204,307).

ii. *Foreign currency risk*

3sHealth operates within Canada, but in the normal course of operations is party to transactions denominated in foreign currencies. Foreign exchange risk arises from transactions denominated in a currency other than the Canadian dollar, which is the functional currency of 3sHealth. 3sHealth believes that it is not subject to significant foreign exchange risk from its financial instruments.

e) *Liquidity risk*

Liquidity risk is the risk that 3sHealth will not be able to meet all cash outflow obligations as they come due. The following policies and procedures are in place to mitigate this risk:

- 3sHealth maintains sufficient cash and short term investments to discharge future obligations as they come due; and
- Membership fee structure is reviewed annually and is approved by the Governing Council. Membership fees are used to base operational funding for the upcoming year.

The estimated contractual maturities of 3sHealth's financial liabilities are:

- up to two months for accounts payable; and
- one to twelve months for unearned revenues.

At March 31, 3sHealth has a cash balance of \$3,081,900 (2012 - \$955,800).

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

3. FINANCIAL INSTRUMENTS (continued)

f) Fair value

The carrying amounts of these financial instruments approximate fair value due to their immediate or short-term nature:

- cash and short term investments;
- accounts receivable; and
- accounts payable and accrued liabilities.

Fair value is best evidenced by an independent quoted market price for the same instrument in an active market. An active market is one where quoted prices are readily available, representing regularly occurring transactions. Accordingly, the determination of fair value requires judgment and is based on market information where available and appropriate. Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of the inputs used in the valuation.

Level 1 – where quoted prices are readily available from an active market.

Level 2 – valuation model not using quoted prices, but still using predominantly observable market inputs, such as market interest rates.

Level 3 – where valuation is based on unobservable inputs.

There were no items measured at fair value using Level 3 in 2012 or 2013.

4. SHORT TERM INVESTMENTS

Investment Type	Credit Rating	2013		2012	
		Cost	Market Yield (%)	Cost	Market Yield (%)
Short term funds	R1 High to R1 Mid	\$ 9,941,900	0.96 – 1.21	\$ 20,430,700	0.96 – 1.21
Total investment income earned in the year				\$ 150,100	\$ 186,100
Less: amount allocated to deferred contribution accounts				(12,700)	(97,300)
Total investment income recognized as revenue				\$ 137,400	\$ 88,800

3sHealth invests its excess cash in a fund that invests in high quality money market securities that mature in one year or less. The securities are primarily denominated in Canadian dollars but may be issued by Canadian or foreign entities. The net asset value of the units of the fund is calculated daily. The manager of the fund tries to maintain a daily unit price of \$10 by allocating net income and/or net realized gains but does not guarantee that constant price. At March 31, 2013, there is no unrealized gain/loss on the value of this investment as the unit cost value equals the unit market value (2012 - \$nil).

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

5. CAPITAL ASSETS

			<u>Net Book Value</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2013</u>	<u>2012</u>
Leasehold improvements	\$ 323,100	\$ 224,300	\$ 98,800	\$ 138,600
Furniture and equipment	1,771,900	1,554,400	217,500	69,900
Computer equipment	2,094,100	2,059,600	34,500	74,300
	<u>\$ 4,189,100</u>	<u>\$ 3,838,300</u>	<u>\$ 350,800</u>	<u>\$ 282,800</u>

For the year ended March 31, 2013 total amortization of \$142,100 (2012 – \$105,300) is included in the Unrestricted Fund in Schedule 1 and the Statement of Operations as Administration expenses.

6. UNEARNED REVENUE

		<u>Net Book Value</u>	
		<u>2013</u>	<u>2012</u>
Membership revenue	\$	-	\$ 859,100
Nursing Information System of Saskatchewan (NISS) membership revenue		77,900	-
Support Costs Staff Scheduling Project Workshop / Miscellaneous revenue		-	64,800
		307,900	8,500
	<u>\$</u>	<u>385,800</u>	<u>\$ 932,400</u>

7. DEFERRED CONTRIBUTIONS

Deferred contributions represent contributions received specific to programs expenditures to be incurred in future periods.

	<u>Balance, beginning of year</u>	<u>Recognized during the year</u>	<u>Amount received</u>	<u>Investment revenue restricted</u>	<u>Transfers</u> (Note 14)	<u>Balance, end of year</u>
Nursing Program	5,076,100	-	-	-	(5,076,100)	-
Labour Adjustment Strategy	826,100	-	-	-	(826,100)	-
MDS Software	1,087,100	(111,700)	165,000	-	-	1,140,400
Provincial Grievance Arbitration and Management	-	-	-	-	-	-
Joint Job Evaluation	712,500	-	-	-	(712,500)	-
Health Shared Services	7,218,300	(5,907,200)	-	-	-	1,311,100
GPS Emergency Medical	1,000,000	-	-	-	-	1,000,000
Other programs funded by the Ministry of Health	726,100	-	100,000	-	(2,700)	823,400
Funded by the Ministry of Health	<u>16,646,200</u>	<u>(6,018,900)</u>	<u>265,000</u>	<u>-</u>	<u>(6,617,400)</u>	<u>4,274,900</u>
CUPE Employment Strategy	2,296,500	-	-	-	(2,296,500)	-
HRMS Enhancements	139,300	(354,400)	348,500	-	-	133,400
Employee Benefit Plans	207,900	(31,200)	334,400	-	-	511,100
Health Spending	1,205,000	(1,021,600)	1,118,500	12,700	-	1,314,600
Other programs funded by other sources	429,900	(3,326,900)	3,678,200	-	-	781,200
Funded by other sources	<u>4,278,600</u>	<u>(4,734,100)</u>	<u>5,479,600</u>	<u>12,700</u>	<u>(2,296,500)</u>	<u>2,740,300</u>
TOTAL	<u>20,924,800</u>	<u>(10,753,000)</u>	<u>5,744,600</u>	<u>12,700</u>	<u>(8,913,900)</u>	<u>7,015,200</u>

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

7. DEFERRED CONTRIBUTIONS (continued)

Details of the deferred contributions included in the table are as follows:

a) MDS Software

The MDS Software deferred contributions represent amounts received from the Ministry of Health for the ongoing support and implementation of the Minimum Data Set (MDS) for long term care and home care on behalf of all regional health authority boards. In addition to purchasing system support and training, the amounts are used to purchase licenses for MDS software on behalf of regional health authority boards and, in conjunction with the Ministry of Health, works to develop new MDS initiatives as required by regional health authorities.

b) Health Shared Services

The Health Shared Services deferred contribution represents amounts received from the Ministry of Health to support future initiatives for shared services within the Saskatchewan health care system.

c) GPS Emergency Medical

The GPS Emergency Medical deferred contribution represents amounts received from the Ministry of Health to support the review and replacement of GPS equipment in the province's ambulances.

d) HRMS Enhancements

The HRMS Enhancements deferred contributions represent enhancement fees charged to employers which subscribe to the 3sHealth Human Resource Management System (HRMS) services. The enhancement fees are specifically charged and deferred for enhancements and acquisition/development of solutions to the HRMS. The use of these enhancement fees is governed by the HRMS Steering Committee which is made up of representatives of the health regions.

e) Employee Benefit Plans

The Employee Benefit Plans deferred contributions represent amounts that 3sHealth holds in trust for employee benefit plans, consisting of the Group Medical Services (GMS) 3sHealth Retiree Benefits Plan (GMS Plan) in the amount of \$330,800 (2012 – \$42,500). The funds held for the GMS Plan are received from GMS for administrative expenses that are incurred by 3sHealth on the GMS Plan's behalf. The GMS Plan is an insured health, dental and travel benefit plan for retirees of 3sHealth or its member organizations.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

7. DEFERRED CONTRIBUTIONS (continued)

f) Health Spending

The Health Spending deferred contributions represent amounts received from participating employers on behalf of out-of-scope employees. These contributions can be used to reimburse the participating employee and their spouse/dependents for any out-of-pocket health and dental expenses that are not covered by the 3sHealth Out-of-Scope Extended Health/Enhanced Dental Plan but meet the requirements of a medical expense in accordance with the Income Tax Act.

8. INTERNALLY RESTRICTED FUNDS

The following restrictions were authorized by the Board: the use of \$400,000 previously restricted funds for: the implementation of VOIP system for \$250,000; the transition of SAHO to 3sHealth for \$100,000; and another \$50,000 for next year's audit report on the payroll system. The Board also reallocated \$135,000 previously restricted for future bargaining and labour resource initiatives to facilitate the transfer of these funds to SAHO Inc. and \$360,000 previously restricted for best practices in shared services to foundational improvements.

During the year, \$31,100 was spent with Board approval on an accounting system upgrade for the transition to 3sHealth, a payroll system control audit and external network testing (2012 – \$19,800). 3sHealth also invested in capital assets \$225,800 with Board approval for a VOIP telecommunication system that was previously restricted for implementing VOIP.

	Balance, Beginning of Year	Recognized	Transferred	Balance, End of Year
Building/Leasehold Improvements	620,400	-	(92,100)	528,300
Payroll System Enhancements	7,300	-	-	7,300
Payroll System Testing	30,200	(13,800)	50,000	66,400
External Network Testing	60,000	(13,200)	-	46,800
Foundational Improvements	-	-	495,000	495,000
New Initiatives	340,500	-	(340,500)	-
Future Bargaining and Labour Resource Initiatives	135,000	-	(135,000)	-
Best Practices / Shared Services	360,000	-	(360,000)	-
VOIP Implementation	-	(225,800)	250,000	24,200
Transition	-	(4,100)	100,000	95,900
	1,553,400	(256,900)	(32,600)	1,263,900

9. EMPLOYEE BENEFIT PLANS TRANSACTIONS AND ASSETS UNDER ADMINISTRATION

Included in these financial statements are expenses of \$5,515,500 (2012 – \$5,137,100) relating to the operation of the employee benefit plans (EBP). These expenses are fully recovered and are reflected in the Statement of Operations as Cost Recoveries - Employee Benefit Plans. Accounts receivable includes \$682,000 (2012 – \$748,200) due from EBP's while accounts payable includes \$277,500 (2012 – \$233,900) related to expenses for the EBP's.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

9. EMPLOYEE BENEFIT PLANS TRANSACTIONS AND ASSETS UNDER ADMINISTRATION (continued)

The fair value and the surplus/deficit of the EBP's under 3sHealth's administration at December 31 are:

	2012		2011	
	Fair Value	Surplus	Fair Value	Surplus
Disability Income Plan - CUPE	\$ 43,068,900	\$ 11,932,600	\$ 34,471,900	\$ 3,584,000
Disability Income Plan - SEIU	39,005,400	17,588,800	34,413,000	12,265,100
Disability Income Plan - General	40,515,300	14,085,400	36,572,600	12,896,500
Disability Income Plan - SUN	51,068,600	12,671,400	39,561,100	3,844,700
Core Dental Plan	16,727,900	14,521,400	14,916,500	12,710,700
In-Scope Extended Health / Enhanced Dental Plan	95,839,600	89,970,900	79,209,500	76,906,600
Out-of-Scope Extended Health / Enhanced Dental Plan	7,682,000	6,893,200	6,818,500	6,600,100
Group Life Insurance Plan	34,712,800	2,441,200	28,453,400	6,838,700
	<u>\$ 328,620,500</u>	<u>\$ 170,104,900</u>	<u>\$ 274,416,500</u>	<u>\$ 135,646,400</u>

10. RETIREMENT BENEFITS

Pension expense for the year amounted to \$607,700 (2012 - \$536,300).

11. COST RECOVERIES AND OTHER REVENUE

Certain cost recoveries and other revenue represent specific programs as follows:

a) Provincial EFAP

The provincial EFAP is a voluntary, confidential, short-term counselling and advisory service that connects individuals and their immediate family members to a network of dedicated professionals who are available to provide assistance 24 hours a day. 3sHealth manages the agreement with a provincial support provider and costs for this service are distributed to organizations based on the number of employees. Revenue is recorded only upon the expenditures being incurred.

b) Staff Scheduling

The Staff Scheduling program is a development of standardized staffing terms and processes for health care providers in the province. 3sHealth manages the software application and costs and revenue are recorded only upon the expenditures being incurred.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

11. COST RECOVERIES AND OTHER REVENUE (continued)

c) GHX

Global Healthcare Exchange (GHX) hosts an electronic data exchange application that provides electronic procurement of health care supplies in the province. 3sHealth manages the agreement with GHX to provide provincial support and the annual subscription fees to GHX. Costs for these services are distributed based on the percentage of provincial spending.

12. BOARD EXPENSES

3sHealth Board Members incurred the following travel and per diem expenses for the year ended March 31, 2013. Amounts reimbursed by 3sHealth, which are recorded in Administration expenses in the Statement of Operations, are as follows:

	Board Travel	Per Diems	Total
Anderson, Richard	\$ 160	\$ 450	\$ 610
Barber, Brian	1,230	8,400	9,630
Bauche, Sharon	200	750	950
Bedard, Kathy	140	710	850
Boutilier, Lloyd	780	830	1,610
Collicott, Elizabeth	90	60	150
Harper, Rennie	6,080	12,020	18,100
Jeworski, Kyle	240	6,650	6,890
Knelsen, Karen	4,590	14,760	19,350
Kobylka, Greg	310	2,530	2,840
Kook, Grant	3,230	8,580	11,810
Meredith, Twyla	890	8,330	9,220
O'Grady, Bonnie	240	490	730
Rhode, Jim	4,250	20,680	24,930
Shaw, Arnie	4,130	11,630	15,760
Sousa, Steve	390	7,440	7,830
Woytowich, Ron	370	940	1,310
	\$ 27,320	\$ 105,250	\$ 132,570

13. RELATED PARTY TRANSACTIONS

These financial statements include transactions with related parties. 3sHealth is indirectly related to all Saskatchewan Crown agencies such as ministries, corporations, boards, and commissions under the common control of the Government of Saskatchewan. 3sHealth is also indirectly related to non-Crown enterprises that the Government jointly controls or significantly influences.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

13. RELATED PARTY TRANSACTIONS (continued)

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at the agreed upon exchange rates charged by those organizations and are settled on normal trade terms.

	2013	2012
Revenue		
Regional Health Authorities	\$ 9,143,100	\$ 11,553,100
Ministry of Health	7,140,100	10,629,800
Ministry of Finance	300	221,100
eHealth Saskatchewan	163,900	119,200
Saskatchewan Cancer Agency	254,100	244,600
Saskatchewan Healthcare Employees' Pension Plan	75,400	76,500
	<u>\$ 16,776,900</u>	<u>\$ 22,844,300</u>
Expenses		
Regional Health Authorities	\$ 4,998,000	\$ 6,838,400
Ministry of Finance	153,500	145,300
eHealth Saskatchewan	-	116,300
Saskatchewan Cancer Agency	212,800	-
SaskTel	131,100	108,900
	<u>\$ 5,495,400</u>	<u>\$ 7,208,900</u>
Accounts Receivable		
Regional Health Authorities	\$ 3,653,800	\$ 2,980,000
SAHO Inc.	8,100	-
Ministry of Health	60,500	653,200
Ministry of Finance	-	55,700
eHealth Saskatchewan	326,600	75,300
Saskatchewan Cancer Agency	52,300	-
	<u>\$ 4,101,300</u>	<u>\$ 3,764,200</u>
Accounts Payable		
Regional Health Authorities	\$ 258,700	\$ 52,800
SAHO Inc.	5,594,400	-
eHealth Saskatchewan	-	100,000
Saskatchewan Cancer Agency	5,000	-
SaskTel	195,800	-
Saskatchewan Healthcare Employees' Pension Plan	89,000	-
	<u>\$ 6,142,900</u>	<u>\$ 152,800</u>

3sHealth pays Saskatchewan Provincial Sales Tax to the Saskatchewan Ministry of Finance on all of its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

14. TRANSITION TO 3sHEALTH

Previously, 3sHealth (Note 1) provided leadership, support and services that will assist its membership in effectively delivering a comprehensive range of health services which included but not limited to collective bargaining and labour relations services and administrative services to employee benefit plans.

Effective April 17, 2012, a new agency, Saskatchewan Association of Health Organizations Inc. (SAHO Inc.), was established to provide province-wide collective bargaining and labour relations services to support a consistently high-performing, sustainable, patient and family-centred health care system in Saskatchewan. Effective April 17, 2012, all related programs were transferred to SAHO Inc. (Note 7).

15. ALLOCATION OF EXPENSES

Lease and personnel costs allocated to departments totalled \$1,209,800 (2012 – \$1,428,700) as follows:

	<u>2013</u>	<u>2012</u>
Administration	\$ 17,600	\$ 199,800
Employee Benefit Plans	849,700	536,700
Information Services	298,000	211,600
Labour Relations	-	453,600
Member Relations & Communications	44,500	27,000
	<u>\$ 1,209,800</u>	<u>\$ 1,428,700</u>

16. CONTINGENCIES

3sHealth is named as a defendant in certain lawsuits. Although the outcomes of such lawsuits are not determinable as of the date of these financial statements, in the opinion of management, they will not materially impact 3sHealth's operations.

17. FUTURE COMMITMENTS

3sHealth has entered into agreements to lease office space in Regina and Saskatoon. The lease for the Regina office is for a period of 10 years, expiring in 2016. The lease for the Saskatoon office is for six years that also expires in 2016. 3sHealth is also responsible for its proportionate share of operating costs of the building and property taxes under these leases. The future minimum lease payments, in each fiscal year, are as follows:

2014	\$ 238,500
2015	\$ 238,500
2016	\$ 197,700

Health Shared Services Saskatchewan

Notes to the Financial Statements

March 31, 2013

18. BUDGET

The 3sHealth board approved the 2012-13 budget plan on September 18, 2012.

19. TRANSITION TO PUBLIC SECTOR ACCOUNTING STANDARDS

Adoption of public sector accounting framework

As stated in Note 2, these are 3sHealth's first financial statements prepared in accordance with Canadian public sector accounting standards. The accounting policies set out in Note 2 have been applied consistently in preparing the financial statements for the year ended March 31, 2013, the comparative information presented in these financial statements and the opening statement of financial position as at April 1, 2011 (the date of transition to public sector accounting standards).

a) Financial instruments

Effective April 1, 2012 3sHealth adopted the PSA standards for Financial Instruments (PSA Handbook Section PS 3450). Section PS 3450 establishes standards on how to account for and report all types of financial instruments, including derivatives. Section PS 3450 has been applied prospectively, in accordance with the transitional provisions of the Section. Upon adoption of Section PS 3450, 3sHealth was required to assign its financial instruments to one of two measurement categories: Fair value; or cost or amortized cost. Cash is classified in the fair value category. The other financial assets and financial liabilities are measured at cost or amortized cost. Carrying amounts are in each instance disclosed in the Statement of Financial Position.

The adoption of Section PS 3450 had no impact on the recognition and measurement of financial instruments reported in these consolidated financial statements. There were additional item related to presentation and disclosure of financial instruments that have been added to Note 3 as a result of the adoption of this standard.

20. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current year's presentation.

Health Shared Services Saskatchewan

Schedule 1 - Schedule of Expenses By Object

For the year ended March 31

	Budget		
	2013	2013	2012
	(Note 18)		(Note 19, 20)
Administrative Service Contracts - Employee Benefit Plans	\$ 865,100	\$ 743,100	\$ 803,800
Advertising and promotional	31,100	46,900	328,500
Amortization	104,700	142,100	105,300
Audio-visual programs	-	-	1,800
Bank charges	9,600	5,800	5,800
Building expenses	804,400	657,700	681,400
Conference and annual meeting	211,400	219,300	198,400
CUPE Employment Strategy	-	-	1,214,500
Equipment and computers	1,085,700	240,000	217,400
Fund managers - Employee Benefit Plans	723,100	307,800	224,200
Insurance	57,800	37,500	36,000
Joint Job Evaluation	-	-	472,100
Labour adjustment strategy	-	-	92,300
Legal	204,800	346,900	611,500
Loss on Disposal	-	2,700	-
Membership fees	153,100	122,700	81,400
Nursing program	-	-	4,195,000
Office expenses	115,400	187,200	110,400
Postage and courier	158,300	136,600	160,000
Printing	75,400	64,900	20,300
Professional services	3,817,300	3,274,800	6,756,600
Professional services - Employee Benefit Plans	1,905,800	918,100	899,600
Project management office	-	-	310,000
Provincial bargaining	-	-	319,700
Purchasing rebates	-	2,045,000	1,238,500
Salaries and related benefits	7,470,100	7,716,100	7,316,100
Staff scheduling project	562,600	438,500	478,700
Strategic Information System projects	1,767,700	2,399,900	-
Subscriptions and publications	22,000	24,500	43,700
System support and development	1,946,900	1,675,400	1,238,800
Telephone	82,400	118,300	86,000
Travel - board and expenses	154,800	161,700	108,000
Travel - committee and expenses	43,000	30,200	111,600
Travel and training - staff	431,400	244,700	266,600
Workshops	19,700	19,300	29,400
	\$ 22,823,600	\$ 22,327,700	\$ 28,763,400

See accompanying notes



3sHealth.ca



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